

Control Number: 43132



Item Number: 1

Addendum StartPage: 0

House Bill (HB) 1600 and Senate Bill (SB) 567 83rd
Legislature, Regular Session, transferred the functions
relating to the economic regulation of water and sewer
utilities from the TCEQ to the PUC effective
September 1, 2014.



**APPLICATION FOR SALE, TRANSFER,
OR MERGER OF A RETAIL PUBLIC UTILITY**

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RECEIVED
PUBLIC UTILITY COMMISSION
FILING CLERK

**APPLICATION FOR SALE, TRANSFER,
OR MERGER OF A RETAIL PUBLIC UTILITY**

*RN# 101193027 *CN# 6008555472 *If known (See instructions)

1. Proposed action of application (check all the boxes that apply):

Sale of All Portion of the Water system(s) under CCN No.:
Acquisition Sewer system(s) under CCN No.:
Lease/Rental

☒ Transfer of ☒ All Portion of the ☒ Certificated water service area – CCN No.: 12574
Certificated sewer service area – CCN No.:

If only a portion of a system or certificated service area is affected by this transaction, please specify the areas or subdivision involved:

N/A

and to:

☒ Obtain a CCN for the transferee (purchaser) – indicate if purchaser will take the seller's CCN
Amend the transferee's CCN No.:
Merge or consolidate public utilities
Cancel CCN of the transferor (seller)

The purchaser will take the seller's CCN.

2. Proposed effective date of this transaction: Immediately upon proper notice. (ASAP)

(Must be at least 120 days after proper notice is provided)

**QUESTIONS 3 THROUGH 5 APPLY TO THE TRANSFEROR
(CURRENT SERVICE PROVIDER OR SELLER)**

3. For the current CCN holder or service provider please indicate:

A. Name: Peach Creek Dam and Lake Club Water System

(Individual, Corporation or Other Legal Entity)

who is a(n):of ☒ Individual

Corporation

WSC

HOA or POA

Other

B. Utility Name (if different than above): City of Patton Village

Address: 16940 Main Street Splendora, Texas 77372 Telephone: (AC) (281)689-9511

C. Contact person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney or accountant.

Name: Leah Tarrant

Title: Mayor

Address: 16940 Main Street Splendora, Texas 77372

Telephone: (AC) (281)689-9511

Fax: (281)689-2385

Email: l.tarrant@pattonvillage.us

4. About the last rate increase for the system or facilities being transferred: **Water**
A. What was the effective date of the last rate increase? **11/19/2012**

B. Was notice of this increase provided to the Texas Commission on Environmental Quality or its predecessors?

☒ No ☐ Yes- Application/Docket Number: _____ Date _____

5. Please provide a list of all customers affected by this transaction who have deposits held by the transferor or seller utility, if any, and include the following information (attach additional sheets if necessary):

Name and Address of Utility Customer	Date of Deposit	Amount of Deposit	Amount of Unpaid Interest on Deposit
No Deposits were taken.			

Within 30 days of the actual transaction date, and prior to the transfer of the certificate by the TCEQ, the seller must provide proof to the Commission that these customer deposits were returned to the customers or transferred to the purchasing utility. Proof should include a sworn affidavit.

QUESTIONS 6 THROUGH 16 REFER TO THE TRANSFEREE OR PURCHASER

6. For the person or entity acquiring the facilities and/or CCN:

Applicant: **City of Patton Village (Municipality)**
(Individual, Corporation, or Other Legal Entity)

Utility Name: **City of Patton Village Water System**
(If different than above)

Utility Address: **16940 Main Street Splendora, Texas 77372**

Fax: **(281)689-2385** Email: **l.tarrant@pattonvillage.us** Telephone (AC): **(281)689-9511**

CCN Numbers held prior to the filing of this application: **12574**

7. Check the appropriate box and provide information regarding the legal status of the transferee applicant:

Individual

Home or Property Owners Association

Partnership; attach copy of partnership agreement

Corporation; provide charter number as recorded with the Office of the Secretary of State for Texas: _____

Non-profit, member-owned, member-controlled Cooperative Corporation (Article 1434(a) Water Supply or Sewer Service Corporation); provide charter number: _____

☒ Municipally-owned utility

District (MUD, SUD, WCID, etc.)

County

Other (please explain): _____

8. If the applicant is an *Individual* or sole proprietorship, provide the following information. If not, skip to the next question.

Name:	N/A	Email	
Address			
Telephone (AC):		Fax (AC):	

9. If the applicant is other than an *Individual* provide the following information regarding the officers or partners of the legal entity applying for the transfer. You must complete either question 8 or question 9, whichever applies to the transferee applicant.

Name:	Leah Tarrant	Telephone (AC):	(281)689-9511
Address:	16940 Main Street Splendora, Texas 77372		
Position:	Mayor	Ownership % (if applicable):	N/A

Name:	Theresa White	Telephone (AC):	(281)689-9511
Address:	16940 Main Street Splendora, Texas 77372		
Position:	Mayor Pro-Tempore	Ownership % (if applicable):	N/A

Name:	David Fields	Telephone (AC):	(281)689-9511
Address:	16940 Main Street Splendora, Texas 77372		
Position:	Council Member	Ownership % (if applicable):	N/A

Name:	Charles LeFevre	Telephone (AC):	(281)689-9511
Address:	16940 Main Street Splendora, Texas 77372		
Position:	Council Member	Ownership % (if applicable):	N/A

Name:	William Reeves	Telephone (AC):	(281)689-9511
Address:	16940 Main Street Splendora, Texas 77372		
Position:	Council Member	Ownership % (if applicable):	N/A

Name:	Jonathan Whitworth	Telephone (AC):	(281)689-9511
Address:	16940 Main Street Splendora, Texas 77372		
Position:	Council Member	Ownership % (if applicable):	N/A

- Attach additional sheet(s) if necessary -

- Important:**
- If the applicant is a for-profit corporation, please provide a copy of the corporation's "Certification of Account Status" from the State Comptroller Office. This "Certification of Account Status" can be obtained from:

Texas Comptroller of Public Accounts

P. O. Box 13528, Capitol Station
Austin, Texas 78711
1-800-252-5555

- If the applicant is an Article 1434a water supply or sewer service corporation or other non-profit corporation, please provide a copy of the Articles of Incorporation and By-Laws.

10. Contact person. Please provide information about the person to be contacted regarding this application. Indicate if this person is the owner, operator, engineer, attorney or accountant.

Name:	Leah Tarrant	Title:	Mayor
Address:	16940 Main Street Splendora, Texas 77372	Telephone (AC):	(281)689-9511
Fax #	(281)689-2385	Email	l.tarrant@pattonvillage.us
Relationship to the applicant:	None		

IF THERE ARE MORE THAN TWO PARTIES INVOLVED IN THIS TRANSACTION, PLEASE ATTACH SHEETS PROVIDING THE INFORMATION REQUIRED IN QUESTION 6 THROUGH QUESTION 10 FOR EACH PARTY

11. Please respond to each of the following questions. Attach additional sheets if necessary.

A. Describe the experience and qualifications of the applicant to provide adequate utility service to the requested area

The City of Patton Village currently contracts water utility services with John C. Hudson & Company. John C. Hudson & Company has two certified operators (Class B and Class C). See attached certification. Hudson & Company has 31 years of operation experience with water systems. They currently operate 8 other water systems in the State of Texas.

B. Has the applicant acquiring the CCN or facilities or an affiliated interest of the applicant been under enforcement action by the TCEQ, Texas Department of Health (TDH), the Office of the Attorney General (OAG) or the Environmental Protection Agency (EPA) in the past for noncompliance with rules, orders or State Statutes? ☐ Yes ☒ No

If yes, please attach copies of any correspondence with these regulatory agencies concerning these enforcement actions and describe any actions and efforts to comply with those requirements. Attach additional sheets if needed.

N/A

C. Describe the source and availability of funds required to make the planned or required improvements, if any, to meet minimum requirements of the TCEQ and ensure continuous and adequate service.

Available funds will be generated by the revenue collected from the rate payers.

D. Describe the anticipated impact of this transaction on the quality of utility service and explain any anticipated changes in the quality of service.

The City of Patton Village will be able to upgrade the entire system as needed using available funds and grants. The city will have the ability to provide licensed operators. The quality of the service will be greatly improved. The system will be able to meet state regulation requirements.

E. How will the transaction serve the public interest?

The system will be able to provide continuous water service which includes adequate pressure and storage.

12. Please describe the nature of the proposed transaction:

This transaction will transfer the water system from an individually owned system to a municipally owned water system.

13. If the transferee applicant is an Investor Owned Utility (IOU) and will be under the rate jurisdiction of the TCEQ, please provide the following information. Water supply or sewer service corporations and political subdivisions of the state should mark this section N/A:

- A.
- Total Purchase Price: N/A
 - Total Original Cost (as recorded on books of seller or merging entity): N/A
 - Accumulated Depreciation as of the proposed effective date of the transaction: N/A
 - Contributions in Aid of Construction:
 - Specific surcharges approved by TCEQ: N/A
 - Revenues from explicit customer agreements: N/A

- Developer Contributions (please explain): N/A

N/A

- Other Contributions (please explain): N/A

N/A

Total Contributions in Aid of Construction N/A

• Net Book Value: N/A

If the Original Cost or any of the above items has been established in a rate case proceeding by the PUC, the TWC or the TCEQ, please provide the Application/Docket Number and date:

Application/Docket Number: N/A 82 Date:

If the applicant is not under the rate jurisdiction of the TCEQ, only the purchase price and information related to Contributions in Aid of Construction is required.

B. Please provide any other information concerning the nature of the transaction you believe should be given consideration if not explained elsewhere in the application.
[attach additional sheet(s) if necessary]:

The water system will be operated within the City limits by licensed operators. The City will provide quality drinking water to the residents. The City will upgrade the system by immediately providing water meters as required by the Texas Commission on Environmental Quality.

C. Complete the following proposed entries listed below as shown in books of purchasing (or surviving) company. Additional entries may be made; the following are suggested only, and not intended to pose descriptive limitations.

Utility Plant in Service:	N/A
Plant Acquisition Adjustment:	
Extraordinary Loss on Purchase:	
Accumulated Depreciation of Plant:	
Cash:	
Notes Payable:	
Mortgage Payable:	
Others (please list):	

As the purchaser, I understand that it is **my responsibility** in any future rate proceeding to provide written evidence and support for the original cost and installation date of all facilities used and useful for providing utility service.

Purchaser's Initials: Date:

14. Please indicate the proposed effect of this transaction on the rates to be charged to the affected customers:
All the customers will be charged the same rates as they were charged before the transaction.
Some ☒ All customers will be charged different rates than they were charged before the transaction.

If rates are changing, please explain:

The water rates will increase to help absorb the cost of licensed operators, meter installation, chemicals, bacteriological and chemical sampling, and any other necessary system upgrades.

Applicant is an IOU and intends to file with the Commission or municipal regulatory authority an application to change rates of some/all of its customers as a result of this transaction. If so, please explain:

N/A

Other. Please explain:

N/A

15. List all neighboring water and /or sewer utilities, cities, and political subdivisions providing the same service within two (2) miles of area affected by this proposed transaction. This information should be available from the water utility database (WUD) or Applicant's licensed water operator.

1. Patton Lakes-CCN# 11193
2. Consumers Water Inc.-CCN# 10347
3. Texas American Water-CCN# 13114
4. Crystal Spring Water Company-CCN# 11373
5. City of Splendora-CCN# 11727
6. Roman Forest Consolidated MUD-CCN# 11327
7. Quadvest LP-CCN# 11612
8. Aqua Texas Inc.-CCN# 13203
9. T&W-CCN# 12692

16. Financial, Managerial and Technical information for the acquiring entity.

HISTORICAL BALANCE SHEETS

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
CURRENT ASSETS						
Cash						
Accounts Receivable						
Inventories						
Income Tax Receivable						
Other						
Total						
FIXED ASSETS						
Land						
Collection/Distribution System						
Buildings						
Equipment						
Other						
Less: Accum. Depreciation or Reserves						
Total						
TOTAL ASSETS						
CURRENT LIABILITIES						
Accounts Payable						
Notes Payable, Current						
Accrued Expenses						
Other						
TOTAL						
LONGTERM LIABILITIES						
Notes Payable, Long-term						
Other						
TOTAL LIABILITIES						
OWNER'S EQUITY						
Paid in Capital						
Retained Equity						
Other						
Current Period Profit or Loss						
TOTAL OWNER'S EQUITY						
TOTAL LIABILITIES AND EQUITY						
WORKING CAPITAL						
CURRENT RATIO						
DEBT TO EQUITY RATIO EQUITY TO TOTAL ASSETS						

HISTORICAL INCOME STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
METER NUMBER						
Existing Number of Taps						
New Taps Per Year						
Total Meters at Year End						
METER REVENUE						
Fees Per Meter						
Cost Per Meter						
Operating Revenue Per Meter						
GROSS WATER REVENUE						
Fees						
Other						
Gross Income						
OPERATING EXPENSES						
General & Administrative						
Interest						
Other						
NET INCOME						

HISTORICAL EXPENSES STATEMENT

	CURRENT YEAR (A)	A-1 YEAR	A-2 YEAR	A-3 YEAR	A-4 YEAR	A-5 YEAR
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office Expense						
Computer Expense						
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total						
% Increase Per Year						
OPERATIONAL EXPENSES						
Salaries						
Auto Expense						
Utilities Expense						
Depreciation Expense						
Repair & Maintenance						
Supplies						
Other						
Total						
% Increase Per Year						
ASSUMPTIONS						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

PROJECTED BALANCE SHEETS

	START UP	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
CURRENT ASSETS						
Cash	0.00					
Accounts Receivable	6807.84					
Inventories	0.00					
Income Tax Receivable	0.00					
Other	0.00					
Total	6807.84					
FIXED ASSETS						
Land	1000.00					
Collection/Distribution System	31000.00					
Buildings	6450.00					
Equipment	25000.00					
Other	0.00					
Less: Accum. Depreciation or Reserves	53687.00					
Total	9763.00					
TOTAL ASSETS	16570.84					
CURRENT LIABILITIES						
Accounts Payable	14945.34					
Notes Payable, Current	0.00					
Accrued Expenses	0.00					
Other	0.00					
Total	14945.34					
LONGTERM LIABILITIES						
Notes Payable, Long-term	0.00					
Other	0.00					
TOTAL LIABILITIES	14945.34					
OWNER'S EQUITY						
Paid in Capital	0.00					
Retained Equity	0.00					
Other	0.00					
Current Period Profit or Loss						
TOTAL OWNER'S EQUITY	0.00					
TOTAL LIABILITIES AND EQUITY	14945.34					
WORKING CAPITAL						
CURRENT RATIO						
DEBT TO EQUITY RATIO						
EQUITY TO TOTAL ASSETS						

PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
METER NUMBER						
Existing Number of Taps	75	75	75	75	75	75
New Taps Per Year	0	0	0	0	0	0
Total Meters at Year End	75	75	75	75	75	75
METER REVENUE						
Fees Per Meter	60.00					
Cost Per Meter	179.00					
Operating Revenue Per Meter	(119.00)					
GROSS WATER REVENUE						
Fees	4500.00					
Other	0.00					
Gross Income	4500.00					
OPERATING EXPENSES						
General & Administrative	13425.00					
Interest	0.00					
Other	0.00					
NET INCOME	(8925.00)					

PROJECTED INCOME STATEMENT

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTAL
GENERAL/ADMINISTRATIVE EXPENSES						
Salaries						
Office Expense	350.00	358.05	366.29	374.71	383.33	1832.38
Computer Expense	1700.00	1739.10	1779.09	1820.02	1861.80	8900.01
Auto Expense						
Insurance Expense						
Telephone Expense						
Utilities Expense						
Depreciation Expense						
Property Taxes						
Professional Fees						
Other						
Total	2050.00	2097.15	2145.38	2194.73	2245.13	10732.39
% Increase Per Year	2.3	2.3	2.3	2.3	2.3	2.3
OPERATIONAL EXPENSES						
Salaries	2080.00	2127.84	2176.78	2226.85	2278.06	10889.53
Auto Expense	0.00	0.00	0.00	0.00	0.00	0.00
Utilities Expense	1920.00	1964.16	2009.34	2055.55	2102.83	10051.88
Depreciation Expense	0.00	0.00	0.00	0.00	0.00	0.00
Repair & Maintenance	8965.00	9171.20	9382.13	9597.92	9818.67	46934.92
Supplies	0.00	0.00	0.00	0.00	0.00	0.00
Other	516.00	527.87	540.01	552.43	565.14	2701.45
Total	13481.00	13791.07	14108.26	14432.75	14764.70	70577.78
% Increase Per Year	2.3	2.3	2.3	2.3	2.3	2.3
ASSUMPTIONS						
Interest Rate/Terms						
Utility Cost/gal.						
Depreciation Schedule						
Other						

PROJECTED SOURCES AND USES OF CASH STATEMENTS

	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5	TOTALS
SOURCES OF CASH						
Net Income	(8925 00)					
Depreciation (If Funded)						
Loan Proceeds						
Other						
Total Sources						
USES OF CASH						
Net Loss						
Principle Portion of Pmts.						
Fixed Asset Purchase						
Reserve						
Other						
Total Uses						
NET CASH FLOW						
DEBT SERVICE COVERAGE						
Cash Available for Debt						
SERVICE (CADS)						
Net Income (Loss)						
Depreciation, or Reserve Interest						
Total						
REQUIRED DEBT SERVICE (RDS)						
Principle Plus Interest						
DEBT SERVICE COVERAGE RATIO						
CADS Divided by RDS						

PLEASE ANSWER QUESTIONS 17 THROUGH 22 ON A DIFFERENT SHEET
FOR EACH PHYSICALLY DISTINCT SYSTEM BEING
TRANSFERRED OR ACQUIRED

17. A. For Water Systems. TCEQ Public Water System Identification Number:

1 7 0 0 0 6 4

Date of last inspection: 07/01/2013

B. For Wastewater Systems:

-TCEQ Discharge Permit Number:

W Q

-Name of Permittee:

-Date of application to transfer Discharge Permit submitted:

-Date of application to transfer Discharge Permit approved by TCEQ:

18. A. Are any improvements required to meet TCEQ standards? ☒ Yes ☐ No. If yes, please explain:

1. Install Water Meters
2. Install fence around water facility
3. Need more storage capacity

B. Is there a moratorium on new connections? ☐ Yes ☒ No. If yes, please explain:

N/A

C. Provide details of each required major capital improvement to correct the deficiencies and meet the TCEQ standards (attach additional sheets if necessary):

Description of the Required Improvement	Schedule to Complete	Estimated Cost
Install Water meters		Unknown
Install fencing around water facility		Unknown
Storage Capacity		Unknown

19. Does the system being transferred operate within the city limits of a municipality or within district boundaries? ☒ Yes ☐ No

If yes, indicate the number of customers within the city limits or district boundaries:

75

Water

Sewer

Attach copy of franchise agreement or consent letter from the city or district.

20. Do you currently purchase water or sewer treatment capacity from another source? ☐ Yes ☒ No
Water Sewer Purchased on a Regular Seasonal Emergency Basis

• Source: % of total supply:

21. List the number of existing connections to be effected by this transaction.

Water				Sewer	
75	-Non Metered		-2" meter	-Residential Connection	N/A
	-5/8" or 3/4" meter		-3" meter	-Commercial Connection	
	-1" meter		-4" meter	-Industrial Connection	
	-1 1/2" meter		-Other	-Other	
Total Water Connections:				Total Sewer Connections	

20. Has the system reached 85% of its capacity based on TCEQ's minimum requirements? ☒ Yes ☐ No
If yes, please explain what steps are being taken to address the capacity issues:

When STM is transferred, the City of Patton Village will work to install additional storage as required by TCEQ.

23. List the name, class, and license number of the operator(s) that will be responsible for the system:

Name	Class	License#
Mary J. Garcia	Class C	WG0008450
John C. Hudson	Class B	WG0007668

24. Attach the following maps with each copy of the application:
- a. One small scale map clearly showing affected service area with enough detail to accurately locate the area if the application is for the transfer of all or a portion of a CCN.
 - b. One large scale map showing the proposed service area boundaries being sold, transferred, or merged and, if available, the existing and proposed facilities. Color coding should be used to differentiate existing from proposed facilities. Facilities and service area boundaries should be shown with such exactness that they can be located on the ground. If transferring area not currently in a CCN or a portion of an existing CCN area please attach the following hard copy maps with each copy of the application:
 - 1. A general location map delineating the proposed service area with enough detail to accurately locate the proposed area within the county.
 - 2. A map showing only the proposed area by:
 - i. metes and bounds survey certified by a licensed state or registered professional land surveyor; or
 - ii. projectable digital data with metadata (proposed areas should be in a single record and clearly labeled, data disk should be included); or
 - iii. following verifiable natural and man-made landmarks, or
 - iv. a copy of recorded plat map with metes and bounds.
 - 3. A written description of the proposed service area.

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Be it known that

MARY J GARCIA


*has fulfilled the requirements in accordance with the
laws of the State of Texas for*

CLASS C GROUND WATER TREATMENT OPERATOR

License Number: **WG0008450**

Issue Date: **05/31/2012**

Expiration Date: **05/24/2015**



Executive Director
Texas Commission on Environmental Quality

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

Be it known that

JOHN C HUDSON


*has fulfilled the requirements in accordance with the
laws of the State of Texas for*

CLASS B GROUND WATER TREATMENT OPERATOR

License Number: **WG0007668**

Issue Date: **05/21/2012**

Expiration Date: **05/06/2015**



Executive Director
Texas Commission on Environmental Quality

OATH FOR SELLER OR FORMER SERVICE PROVIDER

STATE OF Texas

COUNTY OF Montgomery

I, Harold Bradham, being duly sworn, file this application for sale, lease, rental or merger or consolidation as Owner (*indicate relationship to applicant*) that is, owner, member of partnership, title as officer of corporation, or other authorized representative of applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I further state that I have provided to the purchaser or transferee a written disclosure statement about any contributed property as required under Section 13.301(j) and copies of any outstanding Orders of the Commission or Attorney General and have also complied with the notice requirements in Section 13.301(k) of the Water Code.

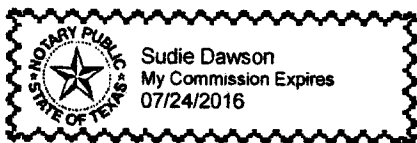
Harold G. Bradham
AFFIANT

(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,
day 5th of May, 20 14.

SEAL



Studie Dawson
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Studie Dawson
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 7/24/2016

One copy of this page must be submitted for each utility involved in this transaction.

LETTER OF CONSENT

City of Patton Village
Mayor Leah Tarrant
16940 Main Street
Splendora, Texas 77372

Dear Mrs. Tarrant,

I, Harol Bradham, am the lawful owner of the Peach Creek Dam and Lake Club Water System, CCN#12574, RN#101193027, CN#6008555472. I hereby give my consent for this water system to be transferred to the City of Patton Village. There will be no monies transferred or expected. I give the City of Patton Village consent to proceed with any and all transactions necessary to complete the transfer of this system into their possession.

Any questions regarding this consent can be directed to me using the following contact information:
Harold Bradham
6411 Wood Brook Lane
Houston, Texas 77008

Thank you for your assistance in this matter.

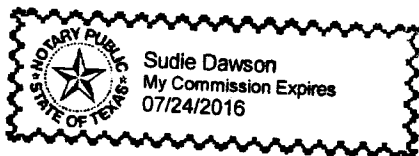
Sincerely,

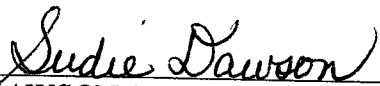


AFFIANT: Harold Bradham, Owner

The AFFIANT to this letter is the sole owner of Peach Creek Dam and Lake Club Water System.

SUBSCRIBED AND SWORN TO BEFORE ME, Sudie Dawson, a NOTARY PUBLIC in and for the State of Texas, on this 5th day of May, 2014.




SUDIE DAWSON, NOTARY PUBLIC IN AND
FOR THE STATE OF TEXAS

MY COMMISSION EXPIRES. 7/24/2016

OATH FOR PURCHASER OR ACQUIRING ENTITY

STATE OF Texas

COUNTY OF Montgomery

I, Leah Tarrant, being duly sworn, file this application for

sale, lease, rental or merger or consolidation as Mayor of the City of Patton Village
(*indicate relationship to applicant*) that is, owner, member of partnership, title as officer of corporation, or other authorized representative of applicant); that, in such capacity, I am qualified and authorized to file and verify such application, am personally familiar with the documents filed with this application, and have complied with all the requirements contained in the application; and, that all such statements made and matters set forth therein with respect to applicant are true and correct. Statements about other parties are made on information and belief. I further state that the application is made in good faith and that this application does not duplicate any filing presently before the Commission.

I am also authorized and do agree to be bound by and comply with any outstanding orders of the Commission or the Attorney General which have been issued to the system or facilities being acquired and recognize that I will be subject to administrative penalties or other enforcement actions if I do not comply.

Leah Tarrant

AFFIANT

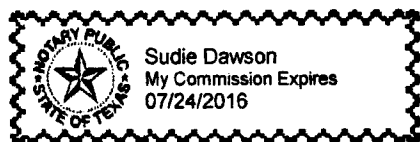
(Utility's Authorized Representative)

If the Affiant to this form is any person other than the sole owner, partner, officer of the Applicant, or its attorney, a properly verified Power of Attorney must be enclosed.

Applicant represents that all other parties to this transaction have been furnished copies of this completed application.

SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public in and for the State of Texas,
day 5th of May, 20 14.

SEAL

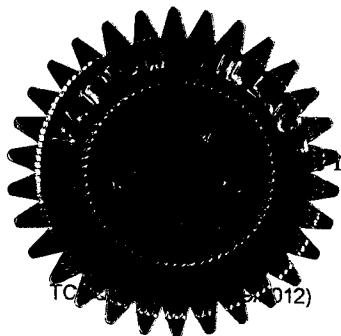


Studie Dawson
NOTARY PUBLIC IN AND FOR THE
STATE OF TEXAS

Studie Dawson
PRINT OR TYPE NAME OF NOTARY

MY COMMISSION EXPIRES 7/24/2016

must be submitted for each utility involved in this transaction.



Notice to Current Customers, Neighboring Systems and Cities

Peach Creek Dam and Lake Club/Harold Bradham 'S
(Seller's or Transferor's Name)

NOTICE OF INTENT TO SELL FACILITIES AND TRANSFER CERTIFICATE OF CONVENIENCE AND
NECESSITY (CCN) NO 12574 TO City of Patton Village

IN Montgomery (Purchaser's or Transferee's Name)
COUNTY, TEXAS

To: _____ Date Notice Mailed _____, 20 ____
(Name of Customer, Neighboring System or City)

(Address)

City State Zip

<u>Harold Bradham</u>	<u>6411 Wood Brook Lane</u>	<u>Houston, Texas 77008</u>
Sellers or Transferors' Name	Address	City/State/Zip Code

has submitted an application with the Texas Commission on Environmental Quality to sell facilities and transfer
water or sewer (please select) CCN No. 12574 in Montgomery [County Name]

County to:

<u>City of Patton Village</u>	<u>16940 Main Street</u>	<u>Splendora, Texas 77372</u>
Purchasers or Transferee's Name	Address	City/State/Zip Code

The sale is scheduled to take place as approved by the Executive Director (V.T.C.A., Water Code §13.301). The
transaction and the transfer of the CCN include the following subdivision(s) and zip codes:

<u>City of Patton Village, 77372</u>	<u>Peach Creek Dam and Lake Club, 77372</u>
--------------------------------------	---

The area subject to this transaction is located approximately 1/4 miles West [direction] of
downtown City of Patton Village, [City or Town] Texas, and is **generally** bounded on the north by
North Lakeview; on the east by Main Street
;on the south by Lakeview Court; and on the west by Peach Creek

The total area being requested includes approximately 20 acres and serves 75 current customers.
This transaction will have the following effect on the current customer's rates and services:

Affected persons may file written protests and/or request a public hearing within 30 days of this notice

To request a hearing, you must:

- (1) state your name, mailing address and daytime telephone number,
- (2) state the applicant's name, application number or another recognizable reference to this application;
- (3) include the statement "I/we request a public hearing";
- (4) write a brief description of how you, the persons you represent, or the public interest would be adversely affected by the proposed transaction and transfer of the CCN; and
- (5) state your proposed adjustment to the application or CCN which would satisfy your concerns and cause you to withdraw your request for a hearing.

Only those persons who submit a written request to be notified of a hearing will receive notice if a hearing is scheduled. The Executive Director will issue the CCN requested in the referenced application unless a hearing is scheduled to consider the transaction. If no protests or requests for hearing are filed during the comment period, the Executive Director may issue the CCN 30 days after publication of this notice.

Persons who wish to protest or request a hearing on this application should write the:

Texas Commission on Environmental Quality
Water Supply Division
Utilities and Districts Section, MC-153
P. O. Box 13087, Austin, TX 78711-3087

Se desea informacion on Espanol, puede llamar al 512-239-0200.

Leah Tarrant, Mayor

Utility Representative

City of Patton Village Water System

Utility Name

Notice to Current Customers, Neighboring Systems, Landowner and Cities

Peach Creek Dam and Lake Club/Harold Bradham 'S NOTICE OF INTENT TO SELL FACILITIES TO
(Seller's or Transferor's Name)

City of Patton Village AND FOR City of Patton Village
(Purchaser's or Transferee's Name) Purchaser's or Transferee's Name)

TO OBTAIN OR AMEND A CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN) IN
Montgomery COUNTY, TEXAS

To: _____ Date Notice Mailed _____, 20 ____
(Name of Customer, Neighboring System, Landowner or City)

(Address)

City State Zip

Peach Creek Dam and Lake Club 6411 Wood Brook Lane Houston, Texas 77008
Sellers or Transferors' Name Address City/State/Zip Code

has submitted an application with the Texas Commission on Environmental Quality to sell water or sewer (please select) Facilities in Montgomery [County Name] County to:

City of Patton Village 16940 Main Street Splendora, Texas 77372
Purchasers or Transferee's Name Address City/State/Zip Code

The transferee has also requested to obtain/amend a CCN in this application. The sale is scheduled to take place as approved by the Executive Director (V.T.C.A., Water Code §13.301). The transaction and the proposed service area include the following subdivision(s) and zip codes:

City of Patton Village, 77372 Peach Creek Dam and Lake Club, 77372

The area subject to this transaction is located approximately 1/4 miles West [direction] of downtown City of Patton Village, [City or Town] Texas, and is **generally** bounded on the north by North Lakeview ;on the east by Main Street ;on the south by Lakeview Court ;and on the west by Peach Creek

The total area being requested includes approximately 20 acres and serves 75 current customers. This transaction will have the following effect on the current customer's rates and services:

Affected persons may file written protests and/or request

To request a hearing, you must:

- (1) state your name, mailing address and daytime
- (2) state the applicant's name, application number
- (3) include the statement "I/we request a public hearing
- (4) write a brief description of how you, the persons adversely affected by the proposed transaction and transaction
- (5) state your proposed adjustment to the application you to withdraw your request for a hearing.

Only those persons who submit a written request to be not scheduled. The Executive Director will issue the CCN not scheduled to consider the transaction. If no protests or request the Executive Director may issue the CCN 30 days after

Persons who wish to protest or request a hearing on this
Texas Commission
Water Supply
Utilities and Distribution
P. O. Box 13087, Austin

Se desea informacion on Espanol

Leah Tarrant, Mayor

Utility Representative

City of Patton Village Water System

Utility Name

Permit Renewal Application

Lone Star Groundwater Conservation District

655 Conroe Park North Dr., Conroe, Texas 77303
Phone: (936) 494-3436 Metro: (936) 441-3437 Fax: (936) 494-3438
E-mail: info@lonestargcd.org Website: www.lonestargcd.org

District Use Only:

Date Received: _____
Received By: _____
Fee Received: ☐ Yes ☐ No

Applicant Information:

City of Patton Village
Attn: Leah Tarrant
16940 Main Street
Splendora, TX 77372
(281) 689-9511 (281) 689-2085

Email: _____

Note: Please make sure the above information is correct.

Return Renewal Application Prior to:

Oct. 31, 2013

(60 days prior to the date of expiration of current permit)

Note: Applications must be **RECEIVED** by the Lone Star GCD no later than the date listed above. Failure to timely submit the application may be grounds for denial of renewal and loss of permit.

District Permit No. **HUP167C**

Type of Permit: **Historical Use Permit**

Current Permit Term: **5/28/2013 to 12/31/2013**

Permit Renewal Term: **01/01/2014 to 12/31/2014**

Authorized Type of Use: **Public Supply (PWS)**

Total Number of Wells Permitted Under This Permit: **1**

Total Authorized Withdrawal: **9,000,000 Gallons**

Other Permit Numbers Covered by Aggregation: _____

This is the application for renewal of your water well permit. To complete the application, please use the following checklist

- (1) Review information provided by the District. If incorrect, mark a line through the incorrect information and PRINT in the correct information. Use additional sheets as necessary.
- (2) Fill in ALL blanks or mark N/A (not applicable).
- (3) Return this renewal application for the upcoming year so that it is RECEIVED by the District on or before October 31, 2013.

The approval of this application will authorize the applicant to use groundwater in calendar year 2014 in accordance with the terms and conditions of the applicant's final 2013 permit, as specifically noted above. If an applicant wishes to change the authorized amount or type of use of groundwater in any way under the permit, the applicant must submit a **Permit Amendment Application**.

- Are all water wells associated with this permit renewal application metered in accordance with Rule 11.1 of the Lone Star GCD's Rules? ☒ Yes ☐ No Explain _____
- Is a static water level measurement taken? ☐ Yes ☒ No If yes; please provide name of service company if performed by anyone other than permittee: _____
- How often are measurements taken? ☐ Annually ☐ Bi-annually ☐ Other _____

CERTIFICATION

The above statements and information are true and correct to the best of my knowledge.

This application submitted by (please print) Mary Garcia

Phone: 281-540-1047

Signature Mary Garcia

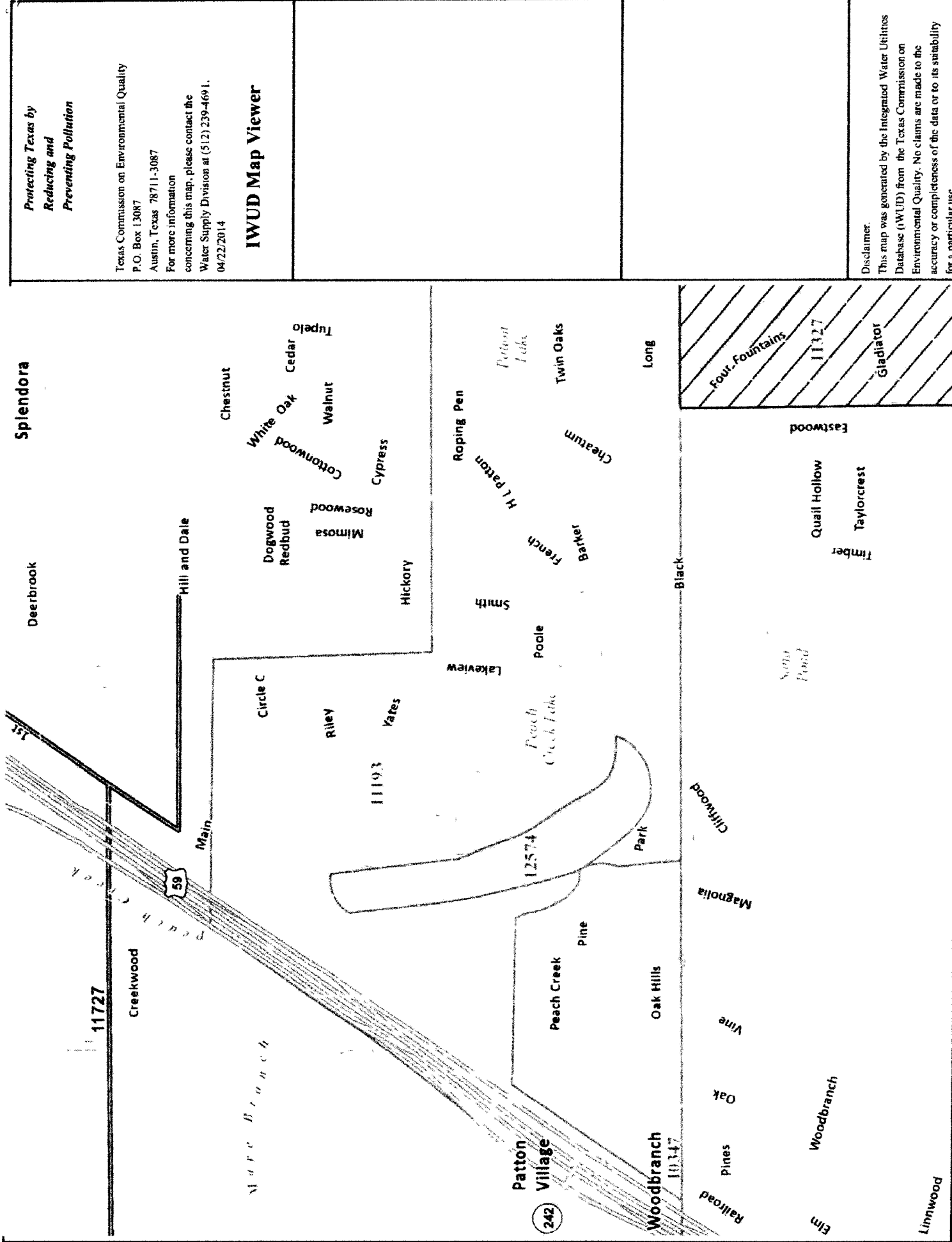
Date: 10-2-13

For District Use Only

- ☐ Approved (in accordance with terms and conditions included in prior permit, information included in renewal application, and subject to District Rules). ☐ Denied (contact District for reason for denial and options available to applicant)

Kathy Turner Jones, General Manager

Date _____

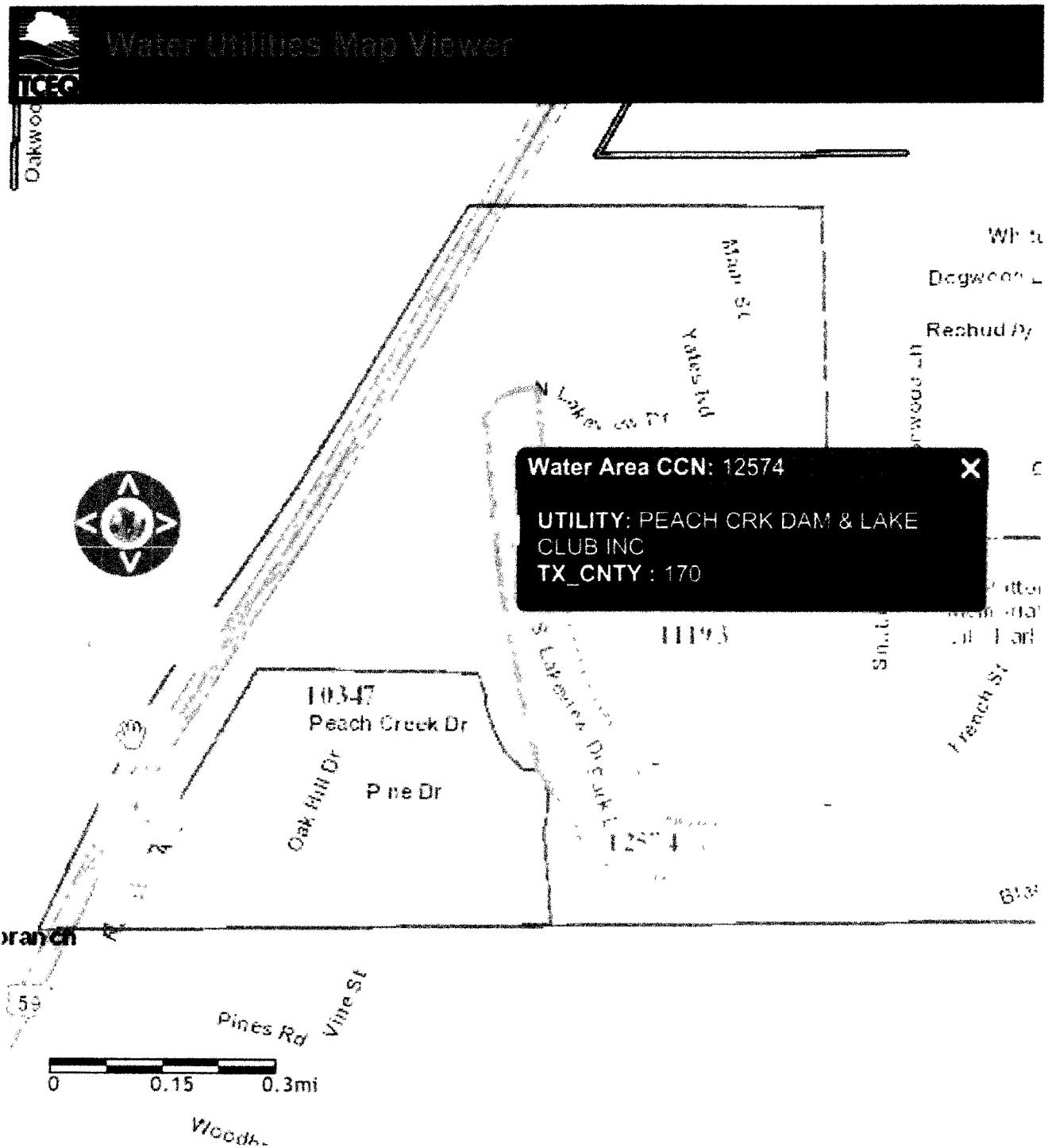


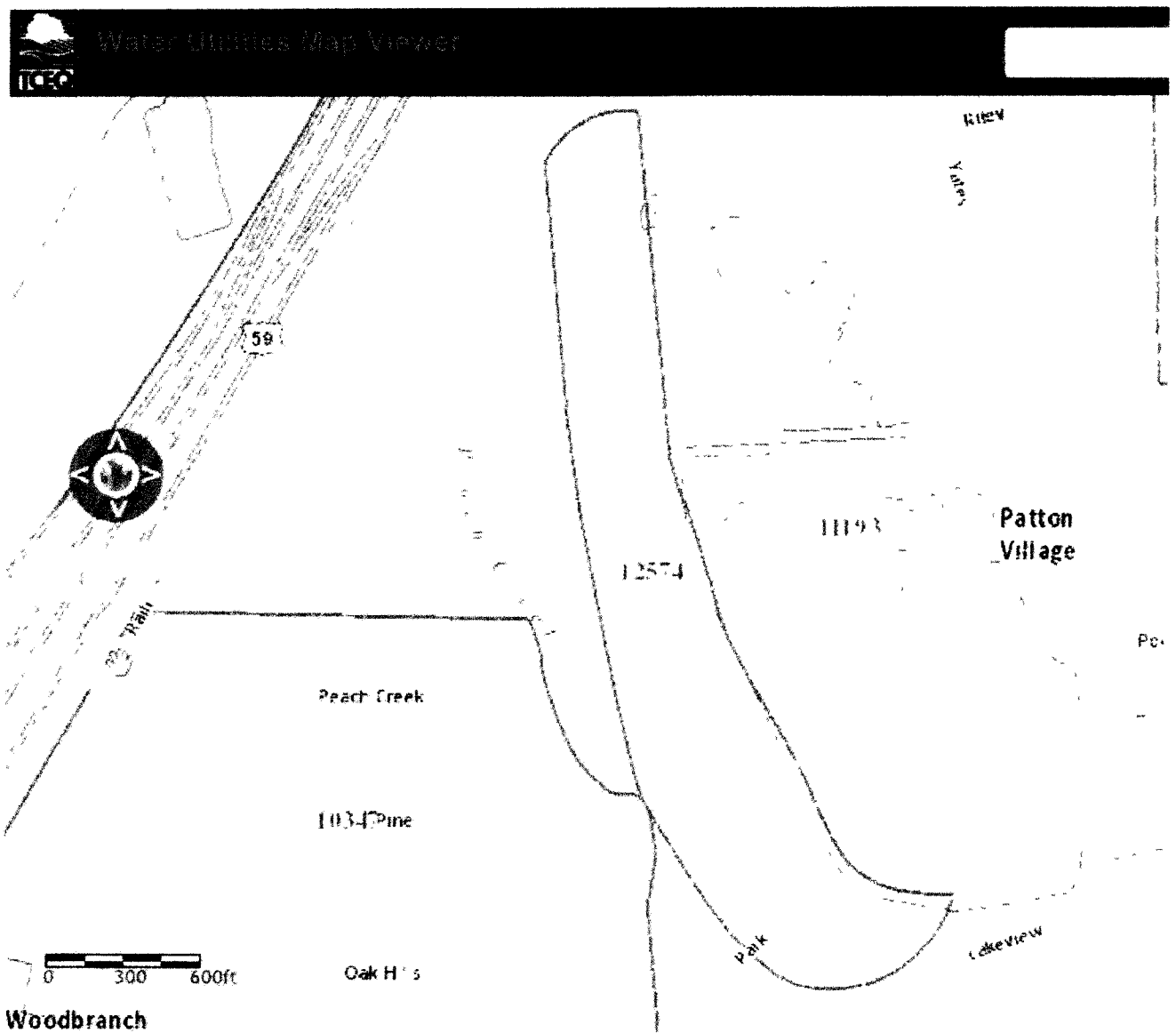
Protecting Texas by
Reducing and
Preventing Pollution

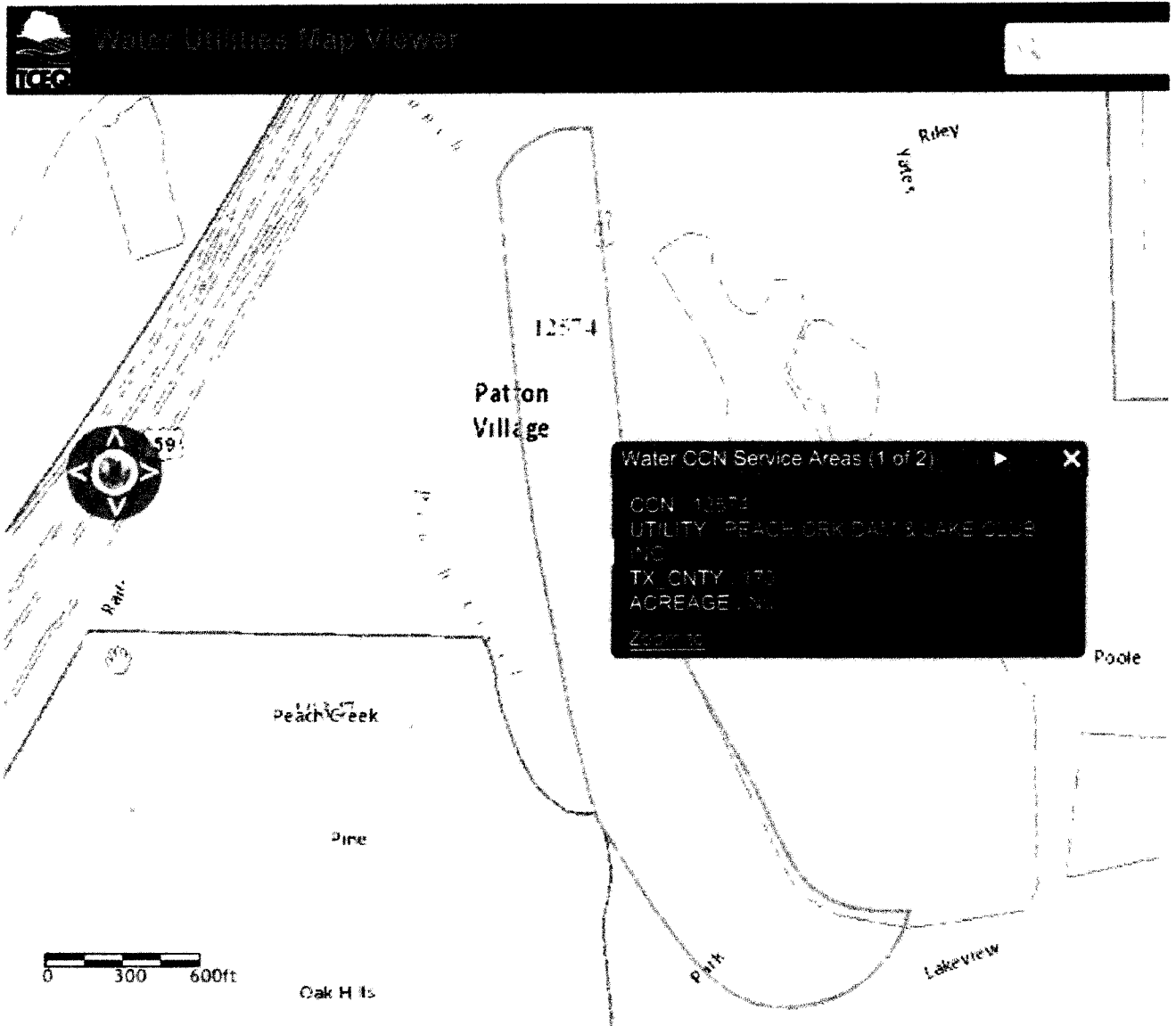
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087
For more information
concerning this map, please contact the
Water Supply Division at (512) 239-4691.
04/22/2014

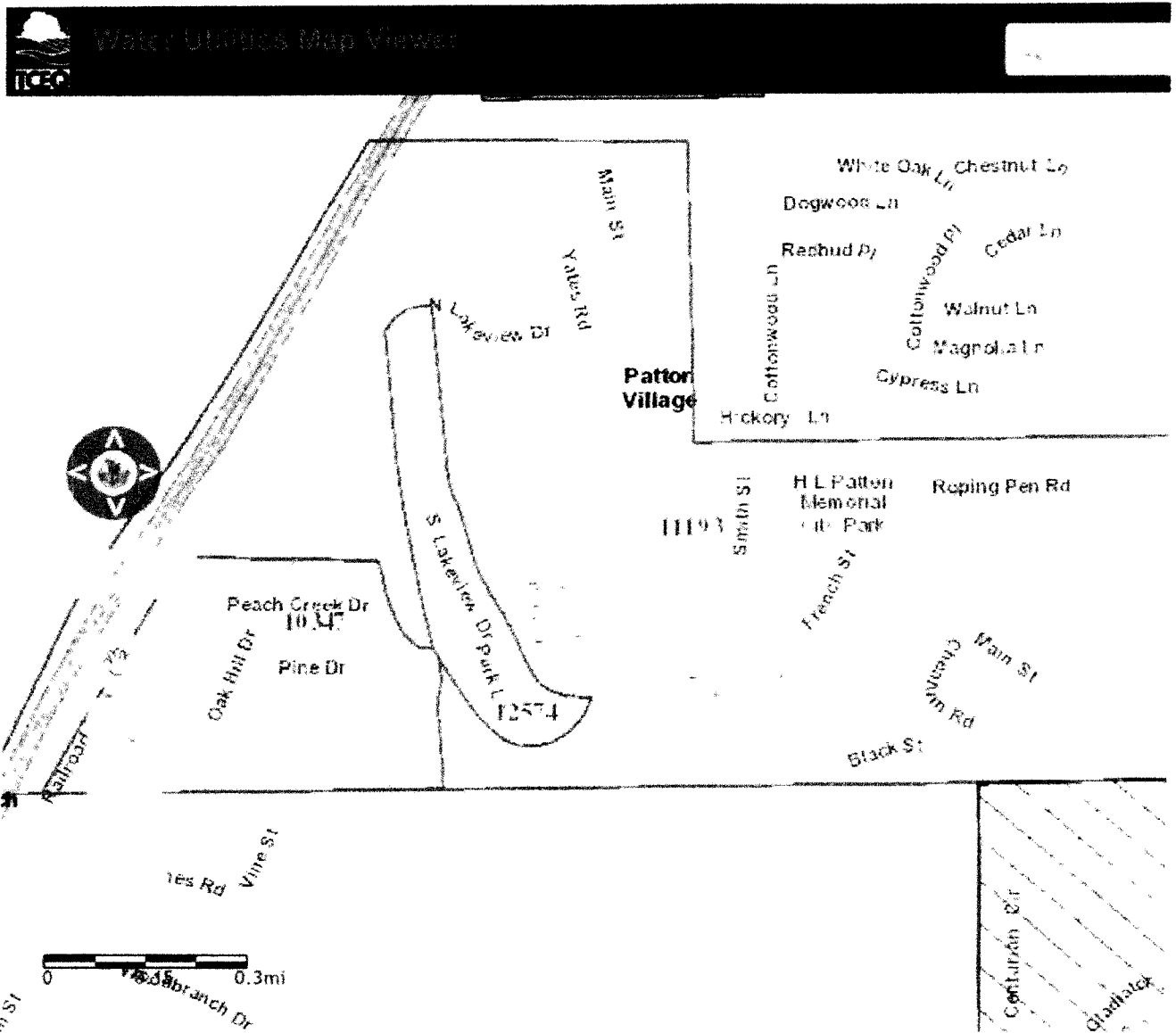
IWUD Map Viewer

Disclaimer:
This map was generated by the Integrated Water Utilities
Database (IWUD) from the Texas Commission on
Environmental Quality. No claims are made to the
accuracy or completeness of the data or to its suitability
for a particular use.









To: Administrative Reviewer

Date Complete: May 12, 2014

From: Cartographer-Utilities & Districts Section

Subject: Overlap & Notice Check for Administrative Review No. A-052-14/37915-S
City of Patton Village to acquire Peach Creek Dam & Lake Club (12574) in Montgomery
county.

- X 1. No new overlap of service areas exists.
2. An overlap:
3. Dual certification:
4. An overlap exists with the city limits of:
- X 5. If this is a Sale, Transfer, or Merger, is additional area being requested? NO
9. Utility notice was sufficient.
- X 10. Utility notice was insufficient. In addition to those systems listed in the application, they will also need to notify:
- TWO MILES:
- Patton Village WTR Company Inc. (11193)
- Consumers Water (10347)
- Montgomery county
- Lone Star GCD
- All cities and etj's within 2 miles of proposed area
- Any other Utility, District or entity that would be required to receive notice
- X 11. Notice: APPROXIMATELY 40 ACRES
12. Other comments:

Kent Steelman